

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

Caption in Compliance with D.N.J. LBR 9004-1(b)

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Chapter 11

Case Number: 25-16137 (MBK)

Jointly Administered

In Re:

POWIN, LLC, *et al.*,¹

Debtors.

¹ The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number, are: (i) Powin Project LLC [1583], (ii) Powin, LLC [0504], (iii) PEOS Holdings, LLC [5476], (iv) Powin China Holdings 1, LLC [1422], (v) Powin China Holdings 2, LLC [9713], (vi) Charger Holdings, LLC [5241], (vii) Powin Energy Ontario Storage, LLC [8348], (viii) Powin Energy Operating Holdings, LLC [2495], and (ix) Powin Energy Operating, LLC [6487]. The Debtors' mailing address is 20550 SW 115th Avenue Tualatin, OR 97062.

**DECLARATION OF JEREMY LAW IN SUPPLEMENTAL SUPPORT OF
EMERGENCY MOTION OF LICENSEES FOR ENTRY OF AN ORDER (I)
COMPELLING THE DEBTORS TO COMPLY WITH SECTION 365(N)(4) OF THE
BANKRUPTCY CODE, (II) GRANTING ADEQUATE PROTECTION UNDER
SECTION 363(E) OF THE BANKRUPTCY CODE, AND (III) GRANTING OTHER
APPROPRIATE RELIEF²**

I, Jeremy Law, declare and state as follows:

1. I am the Vice President of Asset Management of Longroad Development Company, LLC ("Longroad"). This declaration is based upon my personal knowledge, review of the relevant documents, or information provided to me by employees of Longroad. I could and would testify competently to them under oath if called on to do so.
2. I have reviewed the June 20, 2025 declaration of Vanessa Kwong. I agree with the testimony, adopt it as my own, and incorporate it herein by reference.
3. Each of Serrano Solar, LLC, Sun Streams PVS, LLC, and Sun Streams Expansion, LLC (collectively, the "Longroad Licensees") are affiliates of Longroad.
4. The Longroad Licensees are the owners and operators of renewable energy and battery projects in Arizona, each of which rely on large-scale battery energy storage systems supplied and supported by one of the Debtors, Powin, LLC ("Powin").
5. Prior to the Petition Date, each of the Longroad Licensees and Powin entered into an energy supply agreement (collectively, the "ESAs"), pursuant to which Powin agreed to provide an energy storage system for certain solar plus energy storage projects developed by the respective Longroad Licensees (the "Projects").

² Capitalized terms used but not defined herein shall have the meaning ascribed to such terms in the Motion.

6. At a high level, the battery energy storage systems provided by Powin under the ESAs include a battery that stores energy received from solar panels or the electricity grid. Collectively, the combined solar and battery energy storage systems supply enough electricity to power approximately 270,000 homes. The battery must be controlled by software that, among other things, controls how the energy is stored and how it is discharged. The battery energy storage system also includes (among other things) heating, ventilation, and cooling (HVAC) components to manage heating and cooling of the battery, which is also controlled by software.

7. The ESAs provide the Longroad Licensees perpetual licenses to Powin's intellectual property. For example, the ESA for the Serrano Project recites the following intellectual property license in Section 30(b):

Upon Commissioning (and Buyer's payment to Supplier of undisputed amounts then due), Supplier hereby grants to Buyer a worldwide, Perpetual, nonexclusive, non-terminable (until the ESS is decommissioned), irrevocable, royalty free, transferable right and license to use the ESS Equipment and any of Supplier's intellectual property in and to the technology for such ESS Equipment (including any algorithms/routes) as necessary to own, operate, maintain, replace and repair such ESS Equipment and the Work.

8. The ESAs also provide the Longroad Licensees an Escrow Agreement, to which the Longroad Licensees became Beneficiaries via Beneficiary Agreements executed by Powin, Praxis Technology Escrow, LLC (the Escrow Agent), and each Longroad Licensee. The Escrow Agreement was included in the ESA so that the Longroad Licensees were ensured access to intellectual property necessary for operating and maintaining the battery system. For example, the ESA for the Serrano Project provides the following escrow rights, and attaches the Master Escrow Agreement as Exhibit X:

Within ninety (90) days of the Effective Date, the Parties will enter into an escrow agreement (the "Escrow Agreement") substantially in the form set forth in Exhibit X, between Supplier, Praxis Technology

Escrow, LLC or another mutually acceptable third-party escrow agent (“Escrow Agent”), and Buyer (as the beneficiary thereunder). Per the Escrow Agreement, Supplier agrees to hold in escrow the EMS source code, ESS control technology and/or other intellectual property necessary to ensure that any equipment that may be required to replace the ESS Equipment during the operation term of the Project (and any extended term), will perform as the ESS Equipment has been designed to perform. Supplier also shall endeavor to cause Cell Provider to enter into an escrow agreement with respect to the intellectual property associated with the Cells that is consistent with the terms of this Section 48.

9. The Escrow Agreement, which is Exhibit X to the Serrano Project ESA, states on page 3 that the Escrow was created to provide access to “all schematics, designs, diagrams, drawings, manuals, bills of material, custom tooling information and any other information necessary to manufacture, operate and maintain the Equipment (collectively, the “Deposit Materials”). Section 3.F.I states that Powin warrants that all Software and other Deposit Materials “be readable and usable by a programmer of ordinary skill and contain all information, in human-readable form, that such a programmer would need to understand, compile, build, maintain, modify, correct, and operate the Deposit Materials (including all Software) without undue experimentation, difficulty or expense.

10. The Longroad Licensees received the contents of Deposit Materials from the Escrow on or about June 20th. The Longroad Licensees have been reviewing the content of the Deposit Materials in order to determine whether the Escrow is complete.

11. While the Escrow package is voluminous and difficult to navigate (including because of non-specific labelling and identification protocols), the Longroad Licensees believe that there are many files containing important information that are missing from the Escrow. As explained below, the Longroad Licensees require this information in order to safely operate, maintain, and repair the battery energy storage system.

12. The three categories of intellectual property that remain missing based on our review of the Deposit Materials are (i) Computer Aided Design (CAD) files, (ii) Project-specific Bills of Materials, and (iii) the TomCatRunner Software Script. I will explain each category in more detail below.

13. As of the date of this declaration, the Longroad Licensees have requested that Powin provide each of these three categories and Powin has not agreed to do so.

14. **CAD Files:** Based on our review of the Deposit Materials, one necessary category of intellectual property that is missing are Computer Aided Design (CAD) files for the components of the battery energy storage system. CAD files are used in specialized software—such as SolidWorks—to create 3D digital models of physical objects, which enables manufacturers to recreate the objects.

15. The battery energy storage system is made up of well over 1500 individual parts—which are not necessarily the same across Projects. Over the lifetime of the battery energy storage supply system, its parts and components will necessarily wear out, fail, or degrade and will require replacement in order to repair the system when this occurs. Because many of these components are custom-made, and are not standard or off-the-shelf components, they require a custom manufacturer to source them. Such manufacturers typically require CAD files in order to know the 3-dimensional makeup and properties of the part being manufactured.

16. Although the Deposit Materials contain PDF drawings of some (but not all) components of the battery energy storage system, such PDF drawings are merely two-dimensional renderings, and do not contain the full scope of information needed by a manufacturer to replace the part.

17. Without CAD files for every component of the system for each Project, the Longroad Licensees do not have the ability to reliably repair damaged or aged components, and thus cannot reliably operate or maintain the system. The ESA and Escrow Agreement, which expressly granted the Longroad Licensees the right to intellectual property such as CAD files, was agreed to in order to prevent exactly that potential inability to operate or maintain the system, which is why the license is phrased to focus on use in connection with such operations and maintenance. For example, certain components have failed and the Longroad Licensees have been unable to source manufactured replacement parts to repair those components, which has forced the Longroad Licensees to take those aspects of the system offline—reducing the amount of electricity that can be stored and discharged to the grid.

18. As one example, certain components of the HVAC system that prevent the battery from overheating have failed but the Longroad Licensees are unable to replace the necessary components without CAD files. Instead of replacing the failed components, Longroad Licensees are forced to operate the equipment at a reduced output. This is just one example of how the lack of CAD files prevents the Longroad Licensees from being able to operate, maintain, and repair their system.

19. **Bills of Materials:** Another category that is missing from the Deposit Materials are complete and accurate individual bills of materials relating to each respective Project of the Longroad Licensees. Bills of materials serve to identify all of the individual components of the system, which is necessary for the Longroad Licensees to keep track of all of such parts and components, and assess whether there are any remaining gaps in the Deposit Materials and necessary intellectual property that have not been identified. Bills of materials are also necessary

because the parts and components across projects are not necessarily identical and the Longroad Licensees must have this information to operate and maintain the equipment over time.

20. Based on my experience, Powin must have bills of materials for each individual Project in order to have designed and delivered it. Additionally, page 3 of the Escrow Agreement expressly identifies all bills of material as content that will be included. Nonetheless, Powin has only provided incomplete and inaccurate bills of materials for two Projects and no bill of material for one Project.

21. **Tomcat-Runner Script:** An additional category of intellectual property that appears to be missing from the Deposit Materials is the source code for the Tomcat-Runner script. The Tomcat-Runner script is a piece of software that is needed to run simulation environments for the battery system software and hardware. These simulation environments are used to assess how new components or configurations will behave before deploying in a live environment connected to a public electricity grid, which is a critical safety and operational function. For example, changes or updates to software need to be tested and confirmed for reliability before being deployed. In these situations, it is not safe or practical to determine whether software or hardware operate correctly for the first time while connected to the larger battery system.

22. As one example, certain Longroad Licensees have had to remedy HVAC failures, which will ultimately require replacement of those HVAC components and corresponding control units. The Tomcat-Runner script allows Longroad Licensees to compare different HVAC control units, and analyze their behavior and impact on the overall system into a simulated environment, in order to safely assess how those systems will perform before deploying in a live electrical grid.

23. Unexpected performance of components of the grid could lead to fire, electrocution or death and is not a feasible way to operate and maintain the battery system. Thus, without the

Tomcat-Runner script, the Longroad licensees are unnecessarily hindered in their ability to safely and reliably repair, operate and maintain the battery system because they cannot properly test updated or replaced software or hardware.

I declare under penalty of perjury that, to the best of my knowledge and after reasonable inquiry, the foregoing is true and correct.

Executed this 1st day of August, 2025 at Cape Elizabeth in Cumberland County, Maine.

By: 